

ORIGINAL

Before the
Federal Communications Commission
Washington, D.C. 20554

FILED/ACCEPTED

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Federal Communications Commission
Office of the Secretary

In the matter of)	
)	
Application of Telenor ASA,)	IB Docket No. 06-225
Transferor, and Inceptum 1 AC,)	
Transferee, for FCC Consent to)	
Transfer Control of Licenses and)	
Authorizations)	
)	
Telenor Satellite, Inc.)	File No. SES-STA-20070110-00053 (Call Sign E050276)
Application for Special Temporary)	
Authority to Operate 5000 BGAN)	
Terminals with Inmarsat 4F2 at)	
52.75°W)	
)	
FTMSC US, LLC)	File No. SES-STA-20061218-02196 (Call Sign E050284)
Application for Special Temporary)	
Authority to Operate 5000 BGAN)	
Terminals with Inmarsat 4F2 at)	
52.75°W)	
)	
Telenor Satellite, Inc.)	File No. SES-LFS-20050930-01352 (Call Sign E050276)
Application for Title III Blanket License)	File No. SES-AMD-20051111-01564 (Call Sign E050276)
to Operate 25,000 BGAN Terminals)	
with Inmarsat 4F2 at 52.75°W)	
)	
FTMSC US, LLC)	File No. SES-LFS-20051011-01396 (Call Sign E050284)
Application for Title III Blanket License)	File No. SES-AMD-20051118-01602 (Call Sign E050284)
to Operate 25,000 BGAN Terminals)	
with Inmarsat 4F2 at 52.75°W)	

REPLY OF MOBILE SATELLITE VENTURES SUBSIDIARY LLC

Mobile Satellite Ventures Subsidiary LLC ("MSV") hereby files this Reply to the Consolidated Response of Inceptum 1 AS and Telenor ASA (collectively, "Inceptum and Telenor") to MSV's Comments filed in the above-referenced proceedings.¹ Because two holders

¹ See Consolidated Response of Inceptum 1 AS and Telenor ASA, IB Docket No. 06-225 et al (February 1, 2007) ("*Inceptum and Telenor Response*"); Comments of Mobile Satellite Ventures Subsidiary LLC, IB Docket No. 06-225 et al (January 22, 2007) ("*MSV Comments*").

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of Special Temporary Authority (“STA”) to operate Broadband Global Area Network (“BGAN”) terminals (Telenor Satellite Inc. (“Telenor”) and FTMSC US, LLC (“FTMSC”)) will be commonly owned and controlled following consummation of this transfer, MSV has urged the Commission to limit the aggregate number of BGAN terminals authorized to these entities to no more than the 5000 terminals currently authorized. *MSV Comments* at 4-6. Limiting the number of BGAN terminals authorized to Inmarsat’s distributors serves the public interest by providing Inmarsat with an incentive to coordinate its Inmarsat 4F2 satellite with MSV and the other L band operators, thereby mitigating interference to their operations. *Id.* at 5-6. Indeed, MSV urges the Commission to drastically reduce the number of BGAN terminals authorized pursuant to STA.

The Response of Inceptum and Telenor is notable for its silence regarding key points made by MSV in its Comments. First, neither Inceptum and Telenor (nor Inmarsat, which is also a party to this proceeding)² dispute the evidence presented by MSV that (i) given the sluggish demand for the BGAN service, the Commission has authorized an excessive number of BGAN terminals under STA; and (ii) Telenor and FTMSC will not need authority for even 5000 BGAN terminals, let alone 10,000 BGAN terminals, for many years to come. *See MSV Comments* at 5. Recognizing the potential for interference resulting from operation of the uncoordinated Inmarsat 4F2 satellite, Industry Canada has taken a much more limited approach to the temporary authorization of the BGAN service by permitting the operation of only a very limited number of terminals and for only critical operations.³ In so restricting BGAN authority, Industry Canada

² Comments of Inmarsat Global Ltd., IB Docket No. 06-225 et al (January 22, 2007) (“*Inmarsat Comments*”).

³ *See, e.g.*, Letter from Chantel Beaumieur, Director, Space and International Regulatory Activities, Industry Canada, to Lieutenant-Colonel J.J. F La Boissonnière, Director Information Management Technologies, Products and Services 5, National Defence Headquarters (September

has explained that “Successful completion of this coordination is essential in order to ensure an interference-free environment for the operation of all valuable satellite services.”⁴ Second, neither Inceptum and Telenor nor Inmarsat dispute that the Commission’s authorization of an excessive number of BGAN terminals negatively impacts the L band coordination process by depriving Inmarsat of any incentive to satisfy its obligation to coordinate its Inmarsat 4F2 satellite. *MSV Comments* at 6.

Rather than addressing these points directly, Inceptum and Telenor raise a number of extraneous issues that fail to refute MSV’s request. First, they claim that the authorization of an excessive number of BGAN terminals does not directly result from the transfer. *See Inceptum and Telenor Response* at 6-7. This is clearly incorrect. As a result of this transfer, one entity, Apax Partners S.A. (“Apax”), through its ownership of Telenor and FTMSC, will be authorized to operate 10,000 BGAN terminals in the United States when the evidence demonstrates that only 400 BGAN terminals are expected to be activated per-month *worldwide* across all of Inmarsat’s distributors. *MSV Comments* at 5.⁵ As MSV explained in its Comments, and which neither Inceptum and Telenor nor Inmarsat dispute, the authorization of an excessive number of

8, 2006) (authorizing the Canadian National Defence Headquarters to operate two BGAN terminals).

⁴ *Id.* at 1 (“Canada’s policy for permitting the use of foreign satellites to serve the Canadian market requires that they be successfully coordinated with other satellites through the international coordination process. Successful completion of this coordination is essential in order to ensure an interference-free environment for the operation of all valuable satellite services. At this time, Inmarsat has not completed this coordination for its Inmarsat 4F2 satellite located at the 52.75°W.L. orbital position. . . . Accordingly, until the coordination status of the Inmarsat satellite has changed, Industry Canada will not authorize Canadian service providers to provide Inmarsat’s BGAN service in Canada.”).

⁵ While MSV is not aware of any publicly available figures on the number of BGAN terminals deployed in the United States, it is safe to assume that only a fraction of the BGAN terminals activated to date are used in the United States. In fact, Inmarsat has explained that its BGAN terminals are used in 172 countries, with Inmarsat’s Chinese distribution partner accounting for 12% of BGAN sales, mostly to Chinese media, oil, and gas companies. *See Communications Daily* (November 16, 2006), at 12 (quoting Inmarsat’s Chief Operating Officer).

BGAN terminals deprives Inmarsat of any incentive to coordinate its Inmarsat 4F2 satellite.

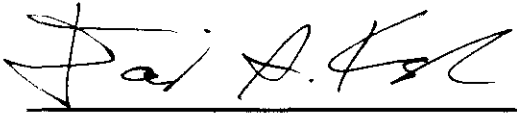
MSV Comments at 6. Moreover, as Inmarsat noted in its Comments, Apax is one of Inmarsat's key distributors and, as a result of this transaction, will wield even more influence over Inmarsat's operations. *See Inmarsat Comments* at 6-7. Providing Apax with authority for more BGAN terminals than it needs for the foreseeable future – and with twice as many BGAN terminals as any of its competitors – deprives it of any incentive to pressure Inmarsat to coordinate its Inmarsat 4F2 satellite.

Inceptum and Telenor also claim that there is no evidence of harmful interference from BGAN operations (*Inceptum and Telenor Response* at 7), but the fact is that the operation of a handful of BGAN terminals to date demonstrates nothing regarding the potential for interference if more and more BGAN terminals are operated in the future. Inceptum and Telenor also assert that MSV is “at no risk at all” from harmful interference because the BGAN STAs are authorized on a non-interference basis. *Inceptum and Telenor Response* at 6-7. Of course, a non-interference condition is not a guarantee that interference will not result. In fact, a non-interference condition requires MSV and its customers to suffer interference before action is taken to mitigate this interference. Accordingly, the assertion that a non-interference condition fully protects MSV from harmful interference is baseless.

Conclusion

Based on the foregoing, the Commission should limit the aggregate number of BGAN terminals authorized to Telenor and FTMSC under STA to no more than 5000.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I, Sylvia A. Davis, a secretary with the law firm of Pillsbury Winthrop Shaw Pittman LLP, hereby certify that on this 6th day of February 2007, I served a true copy of the foregoing by first-class United States mail, postage prepaid, upon the following:

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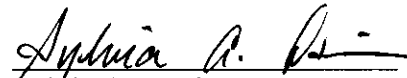
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